

**BEFORE THE PUBLIC SERVICE COMMISSION
OF SOUTH CAROLINA
DOCKET NO. 2010-355-C**

In Re Application of)
)
MOBILITIE, LLC)
)
For a Certificate of Public Convenience)
and Necessity to Provide Resold and)
Facilities-Based Local Exchange and)
Interexchange Telecommunications)
Services Within the State of South)
Carolina, and for Flexible Regulation)

Direct Testimony of Gene Beall

1 **Q. Please state your name, business address and title.**

2 A. My name is Gene Beall, and my business address is 660 Newport Center Drive, Suite
3 200, Newport Beach, California, 92660. My title is Executive Vice President, Strategy
4 and Services, for Mobilitie, LLC (“Mobilitie”).

6 **Q. Please state your qualifications.**

7 A. In my role as Executive Vice President, Strategy and Services, for Mobilitie, I have
8 personal knowledge of the telecommunications services provided by Mobilitie,
9 Mobilitie’s equipment and network, and of their legal and regulatory status. Prior to
10 joining Mobilitie, I spent 13 years with McCaw Cellular/AT&T Wireless in various
11 leadership roles in network engineering and operations. I also served as Head of Services
12 for the U.S. Subregion at Nokia Siemens Networks. As a result of my duties in my
13 positions, I have had personal experience and knowledge with requirements imposed by
14 local governments for access to public rights-of-way by telecommunications providers in
15 numerous communities around the country.

1 **Q. What is the purpose of your testimony?**

2 A. The purpose of my testimony is to present evidence describing the technical, managerial,
3 and financial fitness of Mobilitie to provide resold and facilities-based local exchange
4 and interexchange telecommunications service within the State of South Carolina. This
5 testimony will also describe the service to be provided by Mobilitie. Finally, my
6 testimony will show that the public interest will be served by the approval of Mobilitie's
7 Application.

8

9 **Q. Are all of the statements in Mobilitie's Application correct and true to the best of**
10 **your knowledge, information and belief?**

11 A. Yes.

12

13 **Q. Do you wish to incorporate by reference any documents into this testimony?**

14 A. Yes. I wish to incorporate, by reference, Mobilitie's underlying Application filed in this
15 proceeding and its associated exhibits.

16

17 **Q. Do you ratify and confirm the statements and representations made in that**
18 **Application and all Exhibits attached thereto?**

19 A. Yes.

20

21 **Q. Has Applicant registered to do business in South Carolina?**

1 A. Yes. Mobilitie received foreign corporation authority in South Carolina on January 29,
2 2007. A copy of the Company's qualification documents was attached as Exhibit 1 to the
3 Application.

4
5 **Q. Has anything occurred since the Application of Mobilitie was filed on October 20,**
6 **2010 that materially changes the representations therein?**

7 A. No.

8
9 **Q. Please describe the current corporate structure of Mobilitie.**

10 A. Mobilitie is a registered Limited Liability Company, duly organized under the laws of the
11 State of Nevada, with principal place of business in California. Mobilitie owns and
12 operates telecommunications facilities for the provision of its local transport
13 telecommunications service.

14
15 **Q. Does Mobilitie have the requisite managerial, technical and financial abilities to**
16 **provide the service for which it applied?**

17 A. Yes.

18
19 **Q. Please describe Applicant's financial abilities.**

20 A. Mobilitie is a private cash flow positive Limited Liability Company. Mobilitie has
21 sufficient capital on hand to commence operations in the State of South Carolina and the
22 company has access to additional capital financing as may be needed to sustain future
23 growth and expansion. Mobilitie's business plan calls for the Company to provide its

1 local transport services based upon direct customer demand. Under this plan, revenue
2 from customers will be readily identified prior to any extensive outlay of capital.
3

4 **Q. Please describe the technical and managerial qualifications of Mobilitie.**

5 A. Mobilitie's management team includes individuals with substantive experience in
6 successfully developing and operating telecommunications business. Consequentially,
7 the Company has the adequate internal technical resources to support its South Carolina
8 operations. Specific details of the business and technical experience of Mobilitie's
9 officers and management personnel were attached to the Application as Exhibit D.
10

11 **Q. What services will Mobilitie offer?**

12 A. Mobilitie will offer transport of voice and data signals via fiber optic lines and a
13 Distributed Antenna System. Mobilitie's transport services use fiber optic technology,
14 including multi-wavelength optical technology over dedicated transport facilities, to
15 provide telecommunications companies with more efficient transport and greater overall
16 network service options. Mobilitie's transport services connect wireless capacity
17 equipment to bi-directional, Radio Frequency-to-optical conversion equipment at a hub
18 facility. The conversion equipment will allow Mobilitie to accept Radio Frequency
19 traffic from the customer and then send bi-directional traffic transmission across the
20 appropriate optical networks. At the remote end, Mobilitie will provide Radio
21 Frequency-to-optical conversion equipment to allow bi-directional conversion between
22 optical signals and Radio Frequency signals. Radio Frequency signals can be received
23 and radiated at this remote node by the customer company.

1 **Q. Does Mobilitie intend to offer prepaid debit card services in South Carolina?**

2 A. Not at this time. Mobilitie is aware of the Commission’s \$5,000 bond or certificate of
3 deposit requirement associated with prepaid debit card services, and will file such an
4 instrument with the Commission should Mobilitie decide to offer these services in the
5 future.

6
7 **Q. How will Applicant bill for its services?**

8 A. Mobilitie’s customers will be billed according to individual case basis contracts
9 negotiated with each customer. Mobilitie’s customers typically are providers of retail
10 wireless telecommunications services (also known as Commercial Mobile Radio Services
11 “CMRS” providers, cellular, or Personal Communications Services “PSC” providers).

12
13 **Q. How are trouble reports and customer complaints handled?**

14 A. Mobilitie customers may call toll-free to report problems or complaints. Mobilitie’s
15 customer service representatives are available from 8:00 AM to 4:59 PM Pacific time by
16 calling 1-877-999-7070. Messages left between 5:00 PM and 7:59 AM will be returned
17 the next day. In the event of an emergency that threatens customer service, customer
18 service staff may be paged.

19
20 **Q. Does Mobilitie have offices in South Carolina?**

21 A. No. Mobilitie does not intend to have offices in South Carolina at this time.
22 Accordingly, Mobilitie requests, pursuant to Rule 103-610, that the Commission allow it
23 to keep all applicable books and records at its offices in California. In the event that the

Commission or ORS should desire to inspect such books and records, Mobilitie will provide access expeditiously at its own expense.

Q. By what method will Mobilitie keep its financial records?

A. Mobilitie uses Generally Accepted Accounting Principles (“GAAP”). To the extent that the Commission’s Rules require the use of the Uniform System of Accounts (“USOA”), Mobilitie requests a waiver in order that GAAP be allowed.

Q. How will Mobilitie market its services?

A. Mobilitie will market its services through a direct sales team that focuses on government and carrier markets. As stated above, Mobilitie’s customers typically are “carrier’s carriers” that provide retail wireless telecommunications services.

Q. Has Mobilitie obtained authority to provide its services in any other states?

A. Yes. Mobilitie is authorized to provide service in Arkansas, California, Florida, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maryland, Massachusetts, Michigan, Minnesota, Missouri, Montana, Nebraska, Nevada, North Dakota, Ohio, Oregon, Rhode Island, South Dakota, Tennessee, Texas, Utah, Vermont, Virginia, Washington, and Wisconsin.

Q. Please describe the proposed tariff filed by Mobilitie.

A. Mobilitie filed as Exhibit E of its Application the proposed tariff for Mobilitie’s transport service. The tariff contains the applicable rules and regulations for the provision of such

1 service. I believe that Mobilitie's tariff will comport with all applicable Commission
2 Rules and Orders, and Mobilitie agrees to make all changes suggested by the ORS that
3 may be necessary to comply with applicable authority.
4

5 **Q. Will Mobilitie provide any equipment or facilities in connection with its services?**

6 A. Yes, Mobilitie proposes to offer its services, which will be both intrastate and interstate,
7 by using a combination of its own facilities and facilities leased from other
8 telecommunications carriers. Mobilitie's telecommunications service utilizes central
9 locations called "Base Station Hotels." Base Station Hotels are typically installed in a
10 building located on private property. The Base Station Hotels contain the Wireless
11 Signal Processor (WSP) Base Transceiver Station (BTS) equipment. In addition, the
12 Base Station Hotels house the Optical Conversion Equipment that convert the radio
13 frequency ("RF") output from the BTS into an optical signal. Optical signals are then
14 transmitted via fiber optic cable to remote locations called "Remote Nodes." Remote
15 Nodes convert optical signals back into RF signals that are delivered to another small
16 antenna for broadcast by Mobilitie's customer. A typical Remote Node in Mobilitie's
17 network is located on a utility or street light pole, bus stop, or other municipality
18 infrastructure, and includes a small, low-power antenna. In addition, Remote Nodes may
19 be outfitted as high power Access Points, in order to provide 802.11 data services.
20

21 **Q. Will granting a Certificate serve the public interest of South Carolina consumers?**

22 A. A decision by the Commission to grant Mobilitie authority to provide local exchange and
23 interexchange telecommunications service is in the best interest. The public interest will

1 be served by expanding the availability of competitive telecommunications services and
2 enhanced telecommunications infrastructure in the State of South Carolina, thereby
3 facilitating economic development. Authorizing Mobilitie to enter the
4 telecommunications service market will increase the competitive choices available, and
5 in turn create incentives for all carriers to lower prices, provide new and better quality
6 services, and be more responsive to customer issues and demands.

7
8 **Q. Who is knowledgeable about Mobilitie's operations and will serve as the**
9 **Commission's/ORS's regulatory and customer service contact?**

10 A. All ongoing regulatory compliance and customer service matters should be directed to
11 my attention.

12
13 **Q. What regulatory treatment has Mobilitie sought in connection with this Docket?**

14 A. Mobilitie requests flexible regulation for its local exchange telecommunications services
15 as the Commission first granted in Order No. 98-165 in Docket No. 97-467-C.

16
17 **Q. Will Mobilitie comply with all of the applicable rules, regulations and orders of the**
18 **Commission?**

19 A. Yes.

20
21 **Q. Does this conclude your testimony?**

22 A. Yes.